

LINDA LINGLE  
GOVERNOR



CARLITO P. CALIBOSO  
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LESUE H. KONDO  
COMMISSIONER

**STATE OF HAWAII**  
**PUBLIC UTILITIES COMMISSION**  
**DEPARTMENT OF BUDGET AND FINANCE**  
465 S. KING STREET, #103  
HONOLULU, HAWAII 96813

Telephone: (808) 586-2020  
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e-mail: [Hawaii.PUC@hawaii.gov](mailto:Hawaii.PUC@hawaii.gov)

August 6, 2009

Catherine P. Awakuni  
Executive Director  
Division of Consumer Advocacy  
Department of Commerce and  
Consumer Affairs  
P. O. Box 541  
Honolulu, Hawaii 96809

Dr. Kay Davoodi  
NAVFAC HQ ACQ-URASO  
1322 Patterson Avenue, SE Suite 1000  
Washington Navy Yard  
Washington, DC 20374-5065

Dean Matsuura  
Manager – Regulatory Affairs  
Hawaiian Electric Company, Inc.  
P. O. Box 2750  
Honolulu, Hawaii 96840-0001

Re: Docket No. 2008-0083 - Application of Hawaiian Electric Company, Inc. for Approval of  
Rate Increases and Revised Rate Schedules and Rules

Dear Parties:

For your information and review, enclosed please find a copy of correspondence received by  
the commission in the above-referenced docket.

If you have any questions, please do not hesitate to contact me at 586-2019.

Sincerely,

A handwritten signature in black ink, appearing to read "Kaiulani Kidani Shinsato".

Kaiulani Kidani Shinsato  
Commission Counsel

KKS:laa

Enclosure

c: Thomas W. Williams, Jr., Esq.  
James N. McCormick, Esq.  
Theodore E. Vestal, Esq.



Local Union 1260

**International Brotherhood of Electrical Workers**

2305 So. Beretania St. • Honolulu, Hawaii 96826-1494 • email: [office@ibew1260.org](mailto:office@ibew1260.org)

Telephone: (808) 941-9445

Fax No. (808) 946-1260

**LANCE M. MIYAKE**  
Business Manager-Financial Secretary

**LOREN TAGUCHI**  
President

July 31, 2009

Public Utilities Commission  
465 S. King St., Rm. 103  
Honolulu, HI 96813

FILED  
2009 AUG -3 A 9 58  
PUBLIC UTILITIES  
COMMISSION

To Whom It May Concern:

The Local Union is enclosing three correspondences from Richard Rosenblum regarding Docket No. 2008-0083 page 11, item b. on employee's electricity rate discounts.

Stated by Mr. Rosenblum that the Hawaii Public Utilities Commission (PUC) "directs HECO to remove Schedule E and adjust other rates based on this change." Also stated, "After legal review of the PUC's Order, we have determined that to comply we must submit to a filing rescinding rate Schedule E."

Mr. Rosenblum implies that the PUC is responsible for the Company to take action to remove a negotiated benefit from our Collective Bargaining Agreement (CBA). It is the Local Union's belief that the PUC is not ordering HECO to eliminate this benefit but is stating that it is a condition for the interim rate increase.

Mr. Rosenblum has not approached the Local Union to help address your concerns and is implying that the Local Union must obey the PUC's so-called order to eliminate our negotiated benefit.

In reading Docket No. 2008-0083, it is the Local Union understanding that rate Schedule E should not be included as a cost or an expense that the Company use the interim rate to pay for. It is the Local Union's belief that the original rate is what the Company should be using to pay this benefit since it was negotiated before Docket No. 2008-0083. The Local Union agrees with the PUC that the interim rate should not be used to pay this expense since the Company would be asking the ratepayers to pay for: Schedule E twice.

**International Brotherhood of Electrical Workers**

*Local 1260*



Public Utilities Commission

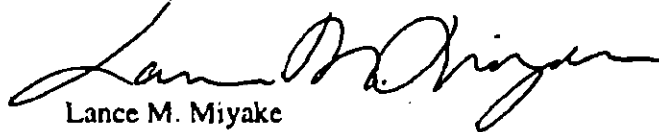
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July 31, 2009

Mr. Rosenblum is claiming that the Company has to take away this benefit because the PUC mandated it; therefore, the Company must remove Schedule E after they reviewed it legally. The Local Union has received numerous calls from members and retirees inquiring if the PUC can take away a negotiated benefit.

Therefore, the Local Union is requesting that the PUC inform the Company that they are wrong to strongly imply that the PUC is demanding Schedule E to be eliminated. Please inform the Local Union if our understanding of Docket 2008-0083 is correct and that it is not the intention of the PUC to take away a negotiated benefit.

Sincerely,



Lance M. Miyake

Business Manager – Financial Secretary

Enclosures

## INTEROFFICE CORRESPONDENCE

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Hawaiian Electric Co., Inc.

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July 17, 2009

To: All Employees

From: Dick Rosenblum

A handwritten signature in dark ink, appearing to read "Dick Rosenblum", is written over the printed name.

I am writing to share some news and to ask for your understanding.

As you know, we recently received an interim decision from the Hawaii Public Utilities Commission (PUC) regarding our 2009 rate case. In that decision, the PUC raised strong concerns about the employee electricity rate discount and ordered: "For purposes of interim rates, the commission directs HECO to remove Schedule E and adjust other rates based on this change."

After legal review of the PUC's Order, we have determined that to comply we must submit a filing rescinding rate Schedule E. Unfortunately, the impact of rescinding Schedule E is the elimination of the electricity rate discount for all Hawaiian Electric retirees and employees, both merit and bargaining unit.

I fully understand the importance of the discount to all of you and I assure you we will work hard in further written testimony and at the evidentiary hearing to convince the PUC to reinstate it. If we are successful and receive our regulators' approval, we will restore the benefit.

I very much regret that we must take this action at this time, but the PUC's order is direct on this matter.

I know this news is disappointing especially given how hard all of you have been working to serve our customers. As I said, we will advocate strongly for the benefit. I do ask that you refrain from contacting the PUC directly as we do not believe that would be helpful in prevailing on this issue.

Thank you for your understanding of this difficult decision.

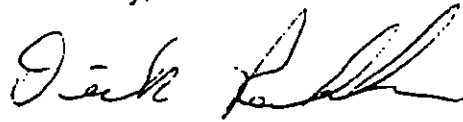
Richard M. Rosenblum  
President and  
Chief Executive Officer

**We regret that we must take this action at this time, but the PUC's order is direct on this matter.**

Page 2  
Mr. Lance Miyake  
July 20, 2009

We are willing to meet with you to confer on this matter. Please let me know if you would like to meet to discuss further.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack L. Hall". The signature is written in a cursive, flowing style with a large initial "J" and "L".



Richard M. Rosenblum  
President and  
Chief Executive Officer

July 21, 2009

Dear Retiree:

I am writing to share some news and to ask for your understanding.

As you may know, we recently received an interim decision from the Hawaii Public Utilities Commission (PUC) regarding our 2009 rate case. In that decision, the PUC raised strong concerns about the employee electricity rate discount and ordered: "For purposes of interim rates, the commission directs HECO to remove Schedule E and adjust other rates based on this change."

After legal review of the PUC's Order, we have determined that to comply we must submit a filing rescinding rate Schedule E. Unfortunately, the impact of rescinding Schedule E is the elimination of the electricity rate discount for all Hawaiian Electric retirees and employees, both merit and bargaining unit.

I fully understand the importance of the discount to all of you and I assure you we will work hard in further written testimony and at the evidentiary hearing to convince the PUC to reinstate it. If we are successful and receive our regulators' approval, we will restore the benefit.

I very much regret that we must take this action at this time, but the PUC's order is direct on this matter.

I know this news is disappointing especially given your dedicated years of service to the company. As I said, we will advocate strongly for the benefit. I do ask that you refrain from contacting the PUC directly as we do not believe that would be helpful in prevailing on this issue.

Thank you for your understanding of this difficult decision.

Sincerely,

A handwritten signature in black ink, appearing to read "Dick Rosenblum". The signature is fluid and cursive, written in a professional style.